



February 14, 2007

## HOUSE BILL No. 1351

DIGEST OF HB 1351 (Updated February 13, 2007 2:56 pm - DI 101)

**Citations Affected:** IC 5-20; IC 32-34; IC 36-2.

**Synopsis:** Affordable housing and community development fund. Allows a county in which at least one unit in the county has established an affordable housing fund to adopt an ordinance authorizing the county recorder to charge a fee of: (1) \$5 for the first page; and (2) \$1 for each additional page; of each document recorded by the county recorder. Provides that: (1) 60% of the fees collected shall be distributed to those units with an affordable housing fund for deposit in those funds; and (2) 40% of the fees shall be deposited in the affordable housing and community development fund. Prescribes a formula for apportioning the fees collected among the units with affordable housing funds. Allows a county containing a consolidated city to adopt an ordinance authorizing the county recorder to charge a fee of: (1) \$5 for the first page; and (2) \$1 for each additional page; of each document recorded by the county recorder. Provides that: (1) 60% of the fees collected shall be deposited in the county's housing trust fund; and (2) 40% of the fees shall be deposited in the affordable housing and community development fund. Provides that, beginning July 1, 2007, on July 1 of each year, the interest balance in the property custody fund and the interest balance in the abandoned property fund shall be transferred to the affordable housing and community development fund. (Current law provides that on July 1 of each year, the interest balance in the property custody fund and the interest balance in the abandoned property fund shall be transferred to the state general fund.)

**Effective:** July 1, 2007.

**Bardon**

January 16, 2007, read first time and referred to Committee on Ways and Means.  
January 23, 2007, reassigned to Committee on Financial Institutions.  
February 13, 2007, amended, reported — Do Pass. Recommitted to Committee on Ways and Means.

HB 1351—LS 7708/DI 87+



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February 14, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## HOUSE BILL No. 1351

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 5-20-4-7, AS AMENDED BY P.L.1-2006,  
2 SECTION 114, AND AS AMENDED BY P.L.181-2006, SECTION  
3 31, IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
4 [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) There is established the  
5 *affordable housing ~~trust~~ and community development* fund. The fund  
6 shall be administered by the *Indiana housing and community*  
7 *development* authority under the direction of the *Indiana housing and*  
8 *community development* authority's board.  
9 (b) The fund consists of the following resources:  
10 (1) Appropriations from the general assembly.  
11 (2) Gifts, ~~and grants, to the fund:~~ *and donations of any tangible*  
12 *or intangible property from public or private sources.*  
13 (3) Investment income earned on the fund's assets.  
14 (4) Repayments of loans from the fund.  
15 (5) Funds borrowed from the board for depositories insurance  
16 fund (IC 5-13-12-7).  
17 (6) **Money deposited in the fund under IC 36-2-7-10.**

HB 1351—LS 7708/DI 87+



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(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(d) The money remaining in the fund at the end of a fiscal year does not revert to the state general fund.

(e) Interest earned on the fund may be used by the *Indiana housing and community development* authority to pay expenses incurred in the administration of the fund.

SECTION 2. IC 5-20-5-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15.5. (a) The governing body of an eligible entity that receives a grant under this chapter shall, by resolution, establish an affordable housing fund to be administered, subject to the terms of the resolution, by a department, a division, or an agency designated by the governing body.

(b) The affordable housing fund consists of:

(1) payments in lieu of taxes deposited in the fund under IC 36-1-8-14.2;

(2) gifts and grants to the fund;

(3) investment income earned on the fund's assets; ~~and~~

**(4) money deposited in the fund under IC 36-2-7-10;**

**(5) money transferred to the fund under IC 32-24-1-34(g); and**

~~(4)~~ **(6) other funds from sources approved by the commission.**

(c) The governing body shall, by resolution, establish uses for the affordable housing fund. However, the uses must be limited to:

(1) providing financial assistance to those individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, to enable those individuals and families to purchase or lease residential units within the county;

(2) paying expenses of administering the fund;

(3) making grants, loans, and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, including the elderly, persons with disabilities, and homeless individuals and families; and

(4) providing technical assistance to nonprofit developers of affordable housing.

(d) The county treasurer shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

SECTION 3. IC 32-34-1-34, AS AMENDED BY P.L.246-2005,

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SECTION 217, IS AMENDED TO READ AS FOLLOWS  
[EFFECTIVE JULY 1, 2007]: Sec. 34. (a) Except as provided in  
section 42(d) of this chapter, the treasurer of state shall, on order of the  
attorney general, pay the necessary costs of the following:

- (1) Selling abandoned property.
- (2) Mailing notices.
- (3) Making publications required by this chapter.
- (4) Paying other operating expenses and administrative expenses,  
including:

- (A) salaries and wages reasonably incurred by the attorney  
general in the administration and enforcement of this chapter;  
and

- (B) costs incurred in examining records of the holders of  
property and in collecting the property from the holders.

(b) If the balance of the principal of the abandoned property fund  
established by section 33 of this chapter exceeds five hundred thousand  
dollars (\$500,000), the treasurer of state may, and at least once each  
fiscal year shall, transfer to the state general fund the balance of the  
principal of the abandoned property fund that exceeds five hundred  
thousand dollars (\$500,000).

(c) If a claim is allowed or a refund is ordered under this chapter  
that is more than five hundred thousand dollars (\$500,000), the  
treasurer of state shall transfer from the state general fund sufficient  
money to make prompt payment of the claim. There is annually  
appropriated to the treasurer of state from the state general fund the  
amount of money sufficient to implement this subsection.

(d) Before making a deposit into the abandoned property fund, the  
attorney general shall record the following:

- (1) The name and last known address of each person appearing  
from the holder's reports to be entitled to the abandoned property.
- (2) The name and last known address of each insured person or  
annuitant.
- (3) The number, the name of the corporation, and the amount due  
concerning any policy or contract listed in the report of a life  
insurance company.

(e) Except as provided in ~~subsection~~ **subsections (f) and (g)**,  
earnings on the property custody fund and the abandoned property fund  
shall be credited to each fund.

(f) **This subsection applies before July 1, 2007.** On July 1 of each  
year, the interest balance in the property custody fund established by  
section 32 of this chapter and the interest balance in the abandoned  
property fund shall be transferred to the state general fund.

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(g) This subsection applies after June 30, 2007. On July 1 of each year, the interest balance in the property custody fund established by section 32 of this chapter and the interest balance in the abandoned property fund shall be transferred to the affordable housing and community development fund established by IC 5-20-4-7.

SECTION 4. IC 36-2-7-10, AS AMENDED BY P.L.169-2006, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) The county recorder shall tax and collect the fees prescribed by this section for recording, filing, copying, and other services the recorder renders, and shall pay them into the county treasury at the end of each calendar month. The fees prescribed and collected under this section supersede all other recording fees required by law to be charged for services rendered by the county recorder.

(b) The county recorder shall charge the following:

(1) Six dollars (\$6) for the first page and two dollars (\$2) for each additional page of any document the recorder records if the pages are not larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(2) Fifteen dollars (\$15) for the first page and five dollars (\$5) for each additional page of any document the recorder records, if the pages are larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(3) For attesting to the release, partial release, or assignment of any mortgage, judgment, lien, or oil and gas lease contained on a multiple transaction document, the fee for each transaction after the first is the amount provided in subdivision (1) plus the amount provided in subdivision (4) and one dollar (\$1) for marginal mortgage assignments or marginal mortgage releases.

(4) One dollar (\$1) for each cross-reference of a recorded document.

(5) One dollar (\$1) per page not larger than eight and one-half (8 1/2) inches by fourteen (14) inches for furnishing copies of records and two dollars (\$2) per page that is larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(6) Five dollars (\$5) for acknowledging or certifying to a document.

(7) Five dollars (\$5) for each deed the recorder records, in addition to other fees for deeds, for the county surveyor's corner perpetuation fund for use as provided in IC 32-19-4-3 or IC 36-2-12-11(e).

(8) A fee in an amount authorized under IC 5-14-3-8 for

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transmitting a copy of a document by facsimile machine.

(9) A fee in an amount authorized by an ordinance adopted by the county legislative body for duplicating a computer tape, a computer disk, an optical disk, microfilm, or similar media. This fee may not cover making a handwritten copy or a photocopy or using xerography or a duplicating machine.

(10) A supplemental fee of three dollars (\$3) for recording a document that is paid at the time of recording. The fee under this subdivision is in addition to other fees provided by law for recording a document.

(11) Three dollars (\$3) for each mortgage on real estate recorded, in addition to other fees required by this section, distributed as follows:

(A) Fifty cents (\$0.50) is to be deposited in the recorder's record perpetuation fund.

(B) Two dollars and fifty cents (\$2.50) is to be distributed to the auditor of state on or before June 20 and December 20 of each year as provided in IC 24-9-9-3.

**(12) This subdivision applies in a county only if at least one (1) unit in the county has established an affordable housing fund under IC 5-20-5-15.5 and the county fiscal body adopts an ordinance authorizing the fee described in this subdivision. An ordinance adopted under this subdivision may authorize the county recorder to charge a fee of:**

**(A) five dollars (\$5) for the first page; and**

**(B) one dollar (\$1) for each additional page; of each document the recorder records.**

**(13) This subdivision applies in a county containing a consolidated city that has established a housing trust fund under IC 36-7-15.1-35.5(e). The county fiscal body may adopt an ordinance authorizing the fee described in this subdivision. An ordinance adopted under this subdivision may authorize the county recorder to charge a fee of:**

**(A) five dollars (\$5) for the first page; and**

**(B) one dollar (\$1) for each additional page; of each document the recorder records.**

(c) The county recorder shall charge a two dollar (\$2) county identification security protection fee for recording or filing a document. This fee shall be deposited under IC 36-2-7.5-6.

(d) The county treasurer shall establish a recorder's records perpetuation fund. All revenue received under subsection (b)(5), (b)(8), (b)(9), and (b)(10), and fifty cents (\$0.50) from revenue received under

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subsubsection (b)(11), shall be deposited in this fund. The county recorder may use any money in this fund without appropriation for the preservation of records and the improvement of record keeping systems and equipment.

(e) As used in this section, "record" or "recording" includes the functions of recording, filing, and filing for record.

(f) The county recorder shall post the fees set forth in subsection (b) in a prominent place within the county recorder's office where the fee schedule will be readily accessible to the public.

(g) The county recorder may not tax or collect any fee for:

(1) recording an official bond of a public officer, a deputy, an appointee, or an employee; or

(2) performing any service under any of the following:

(A) IC 6-1.1-22-2(c).

(B) IC 8-23-7.

(C) IC 8-23-23.

(D) IC 10-17-2-3.

(E) IC 10-17-3-2.

(F) IC 12-14-13.

(G) IC 12-14-16.

(h) The state and its agencies and instrumentalities are required to pay the recording fees and charges that this section prescribes.

**(i) This subsection applies to a county other than a county containing a consolidated city. The county treasurer shall distribute money collected by the county recorder under subsection (b)(12) as follows:**

**(1) Sixty percent (60%) of the money collected by the county recorder under subsection (b)(12) shall be distributed to the units in the county that have established an affordable housing fund under IC 5-20-5-15.5 for deposit in the fund. The amount to be distributed to a unit is the amount available for distribution multiplied by a fraction. The numerator of the fraction is the population of the unit. The denominator of the fraction is the population of all units in the county that have established a fund. The population to be used for a county that establishes a fund is the population of the county outside any city or town that has established a fund.**

**(2) Forty percent (40%) of the money collected by the county recorder under subsection (b)(12) shall be distributed to the treasurer of state for deposit in the state affordable housing and community development fund established under IC 5-20-4-7 for the purposes of the fund.**

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**The money shall be distributed under this subsection before the sixteenth day of the month following the month in which the money is collected from the county recorder.**

**(j) This subsection applies to a county described in subsection (b)(13). The county treasurer shall distribute money collected by the county recorder under subsection (b)(13) as follows:**

**(1) Sixty percent (60%) of the money collected by the county recorder under subsection (b)(13) shall be deposited in the housing trust fund established under IC 36-7-15.5-35.5(e) for the purposes of the fund.**

**(2) Forty percent (40%) of the money collected by the county recorder under subsection (b)(13) shall be distributed to the treasurer of state for deposit in the state affordable housing and community development fund established under IC 5-20-4-7 for the purposes of the fund.**

**The money shall be distributed under this subsection before the sixteenth day of the month following the month in which the money is collected from the county recorder.**

**SECTION 5. IC 36-7-15.1-35.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 35.5. (a) The general assembly finds the following:**

**(1) Federal law permits the sale of a multiple family housing project that is or has been covered, in whole or in part, by a contract for project based assistance from the United States Department of Housing and Urban Development without requiring the continuation of that project based assistance.**

**(2) Such a sale displaces the former residents of a multiple family housing project described in subdivision (1) and increases the shortage of safe and affordable housing for persons of low and moderate income within the county.**

**(3) The displacement of families and individuals from affordable housing requires increased expenditures of public funds for crime prevention, public health and safety, fire and accident prevention, and other public services and facilities.**

**(4) The establishment of a supplemental housing program under this section will do the following:**

**(A) Benefit the health, safety, morals, and welfare of the county and the state.**

**(B) Serve to protect and increase property values in the county and the state.**

**(C) Benefit persons of low and moderate income by making affordable housing available to them.**

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(5) The establishment of a supplemental housing program under this section and sections 32 through 35 of this chapter is:

(A) necessary in the public interest; and

(B) a public use and purpose for which public money may be spent and private property may be acquired.

(b) In addition to its other powers with respect to a housing program under sections 32 through 35 of this chapter, the commission may establish a supplemental housing program. Except as provided by this section, the commission has the same powers and duties with respect to the supplemental housing program that the commission has under sections 32 through 35 of this chapter with respect to the housing program.

(c) One (1) allocation area may be established for the supplemental housing program. The commission is not required to make the findings required under section 34(5) through 34(8) of this chapter with respect to the allocation area. However, the commission must find that the property contained within the boundaries of the allocation area consists solely of one (1) or more multiple family housing projects that are or have been covered, in whole or in part, by a contract for project based assistance from the United States Department of Housing and Urban Development or have been owned at one time by a public housing agency. The allocation area need not be contiguous. The definition of "base assessed value" set forth in section 35(a) of this chapter applies to the special fund established under section 26(b) of this chapter for the allocation area.

(d) The special fund established under section 26(b) of this chapter for the allocation area established under this section may be used only for the following purposes:

(1) Subject to subdivision (2), on January 1 and July 1 of each year the balance of the special fund shall be transferred to the housing trust fund established under subsection (e).

(2) The commission may provide each taxpayer in the allocation area a credit for property tax replacement in the manner provided by section 35(b)(7) of this chapter. Transfers made under subdivision (1) shall be reduced by the amount necessary to provide the credit.

(e) The commission shall, by resolution, establish a housing trust fund to be administered, subject to the terms of the resolution, by:

(1) the housing division of the consolidated city; or

(2) the department, division, or agency that has been designated to perform the public housing function by an ordinance adopted under IC 36-7-18-1.

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(f) The housing trust fund consists of:

- (1) amounts transferred to the fund under subsection (d);
- (2) payments in lieu of taxes deposited in the fund under IC 36-3-2-11;
- (3) gifts and grants to the fund;
- (4) investment income earned on the fund's assets; ~~and~~
- (5) money deposited in the fund under IC 36-2-7-10(j); and**
- ~~(5) (6)~~ other funds from sources approved by the commission.

(g) The commission shall, by resolution, establish uses for the housing trust fund. However, the uses must be limited to:

- (1) providing financial assistance to those individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, to enable those individuals and families to purchase or lease residential units within the county;
- (2) paying expenses of administering the fund;
- (3) making grants, loans, and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, including the elderly, persons with disabilities, and homeless individuals and families; and
- (4) providing technical assistance to nonprofit developers of affordable housing.

(h) At least fifty percent (50%) of the dollars allocated for production, rehabilitation, or purchase of housing must be used for units to be occupied by individuals and families whose income is at or below fifty percent (50%) of the county's area median income for individuals and families respectively.

(i) The low income housing trust fund advisory committee is established. The low-income housing trust fund advisory committee consists of eleven (11) members. The membership of the low income housing trust fund advisory committee is comprised of:

- (1) one (1) member appointed by the mayor, to represent the interests of low income families;
- (2) one (1) member appointed by the mayor, to represent the interests of owners of subsidized, multifamily housing communities;
- (3) one (1) member appointed by the mayor, to represent the interests of banks and other financial institutions;
- (4) one (1) member appointed by the mayor, of the department of metropolitan development;

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(5) three (3) members representing the community at large appointed by the commission, from nominations submitted to the commission as a result of a general call for nominations from neighborhood associations, community based organizations, and other social services agencies;

(6) one (1) member appointed by and representing the Coalition for Homeless Intervention and Prevention of Greater Indianapolis;

(7) one (1) member appointed by and representing the Local Initiatives Support Corporation;

(8) one (1) member appointed by and representing the Indianapolis Coalition for Neighborhood Development; and

(9) one (1) member appointed by and representing the Indianapolis Neighborhood Housing Partnership.

Members of the low income housing trust fund advisory committee serve for a term of four (4) years, and are eligible for reappointment. If a vacancy exists on the committee, the appointing authority who appointed the former member whose position has become vacant shall appoint an individual to fill the vacancy. A committee member may be removed at any time by the appointing authority who appointed the committee member.

(j) The low income housing trust fund advisory committee shall make recommendations to the commission regarding:

(1) the development of policies and procedures for the uses of the low income housing trust fund; and

(2) long term sources of capital for the low income housing trust fund, including:

(A) revenue from:

(i) development ordinances;

(ii) fees; or

(iii) taxes;

(B) financial market based income;

(C) revenue derived from private sources; and

(D) revenue generated from grants, gifts, donations or income in any other form, from a:

(i) government program;

(ii) foundation; or

(iii) corporation.

(k) The county treasurer shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1351, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 17, delete "section 17 of this" and insert "**IC 36-2-7-10.**".

Page 2, delete line 1.

Page 2, delete lines 10 through 19, begin a new paragraph and insert:

"SECTION 2. IC 5-20-5-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15.5. (a) The governing body of an eligible entity that receives a grant under this chapter shall, by resolution, establish an affordable housing fund to be administered, subject to the terms of the resolution, by a department, a division, or an agency designated by the governing body.

(b) The affordable housing fund consists of:

- (1) payments in lieu of taxes deposited in the fund under IC 36-1-8-14.2;
- (2) gifts and grants to the fund;
- (3) investment income earned on the fund's assets; ~~and~~
- (4) money deposited in the fund under IC 36-2-7-10;**
- (5) money transferred to the fund under IC 32-24-1-34(g); and**
- ~~(4)~~ **(6) other funds from sources approved by the commission.**

(c) The governing body shall, by resolution, establish uses for the affordable housing fund. However, the uses must be limited to:

- (1) providing financial assistance to those individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, to enable those individuals and families to purchase or lease residential units within the county;
- (2) paying expenses of administering the fund;
- (3) making grants, loans, and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, including the elderly, persons with disabilities, and homeless individuals and families; and
- (4) providing technical assistance to nonprofit developers of affordable housing.

(d) The county treasurer shall invest the money in the fund not currently needed to meet the obligations of the fund in the same

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manner as other public funds may be invested.

SECTION 3. IC 32-34-1-34, AS AMENDED BY P.L.246-2005, SECTION 217, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 34. (a) Except as provided in section 42(d) of this chapter, the treasurer of state shall, on order of the attorney general, pay the necessary costs of the following:

- (1) Selling abandoned property.
- (2) Mailing notices.
- (3) Making publications required by this chapter.
- (4) Paying other operating expenses and administrative expenses, including:
  - (A) salaries and wages reasonably incurred by the attorney general in the administration and enforcement of this chapter; and
  - (B) costs incurred in examining records of the holders of property and in collecting the property from the holders.

(b) If the balance of the principal of the abandoned property fund established by section 33 of this chapter exceeds five hundred thousand dollars (\$500,000), the treasurer of state may, and at least once each fiscal year shall, transfer to the state general fund the balance of the principal of the abandoned property fund that exceeds five hundred thousand dollars (\$500,000).

(c) If a claim is allowed or a refund is ordered under this chapter that is more than five hundred thousand dollars (\$500,000), the treasurer of state shall transfer from the state general fund sufficient money to make prompt payment of the claim. There is annually appropriated to the treasurer of state from the state general fund the amount of money sufficient to implement this subsection.

(d) Before making a deposit into the abandoned property fund, the attorney general shall record the following:

- (1) The name and last known address of each person appearing from the holder's reports to be entitled to the abandoned property.
- (2) The name and last known address of each insured person or annuitant.
- (3) The number, the name of the corporation, and the amount due concerning any policy or contract listed in the report of a life insurance company.

(e) Except as provided in ~~subsection~~ subsections (f) and (g), earnings on the property custody fund and the abandoned property fund shall be credited to each fund.

(f) **This subsection applies before July 1, 2007.** On July 1 of each year, the interest balance in the property custody fund established by

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section 32 of this chapter and the interest balance in the abandoned property fund shall be transferred to the state general fund.

**(g) This subsection applies after June 30, 2007. On July 1 of each year, the interest balance in the property custody fund established by section 32 of this chapter and the interest balance in the abandoned property fund shall be transferred to the affordable housing and community development fund established by IC 5-20-4-7."**

Page 3, delete lines 32 through 37, begin a new line block indented and insert:

**"(12) This subdivision applies in a county only if at least one (1) unit in the county has established an affordable housing fund under IC 5-20-5-15.5 and the county fiscal body adopts an ordinance authorizing the fee described in this subdivision. An ordinance adopted under this subdivision may authorize the county recorder to charge a fee of:**

**(A) five dollars (\$5) for the first page; and**

**(B) one dollar (\$1) for each additional page;  
of each document the recorder records.**

**(13) This subdivision applies in a county containing a consolidated city that has established a housing trust fund under IC 36-7-15.1-35.5(e). The county fiscal body may adopt an ordinance authorizing the fee described in this subdivision. An ordinance adopted under this subdivision may authorize the county recorder to charge a fee of:**

**(A) five dollars (\$5) for the first page; and**

**(B) one dollar (\$1) for each additional page;  
of each document the recorder records."**

Page 4, after line 23, begin an new paragraph and insert:

**"(i) This subsection applies to a county other than a county containing a consolidated city. The county treasurer shall distribute money collected by the county recorder under subsection (b)(12) as follows:**

**(1) Sixty percent (60%) of the money collected by the county recorder under subsection (b)(12) shall be distributed to the units in the county that have established an affordable housing fund under IC 5-20-5-15.5 for deposit in the fund. The amount to be distributed to a unit is the amount available for distribution multiplied by a fraction. The numerator of the fraction is the population of the unit. The denominator of the fraction is the population of all units in the county that have established a fund. The population to be used for a county**

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that establishes a fund is the population of the county outside any city or town that has established a fund.

(2) Forty percent (40%) of the money collected by the county recorder under subsection (b)(12) shall be distributed to the treasurer of state for deposit in the state affordable housing and community development fund established under IC 5-20-4-7 for the purposes of the fund.

The money shall be distributed under this subsection before the sixteenth day of the month following the month in which the money is collected from the county recorder.

(j) This subsection applies to a county described in subsection (b)(13). The county treasurer shall distribute money collected by the county recorder under subsection (b)(13) as follows:

(1) Sixty percent (60%) of the money collected by the county recorder under subsection (b)(13) shall be deposited in the housing trust fund established under IC 36-7-15.5-35.5(e) for the purposes of the fund.

(2) Forty percent (40%) of the money collected by the county recorder under subsection (b)(13) shall be distributed to the treasurer of state for deposit in the state affordable housing and community development fund established under IC 5-20-4-7 for the purposes of the fund.

The money shall be distributed under this subsection before the sixteenth day of the month following the month in which the money is collected from the county recorder.

SECTION 5. IC 36-7-15.1-35.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 35.5. (a) The general assembly finds the following:

(1) Federal law permits the sale of a multiple family housing project that is or has been covered, in whole or in part, by a contract for project based assistance from the United States Department of Housing and Urban Development without requiring the continuation of that project based assistance.

(2) Such a sale displaces the former residents of a multiple family housing project described in subdivision (1) and increases the shortage of safe and affordable housing for persons of low and moderate income within the county.

(3) The displacement of families and individuals from affordable housing requires increased expenditures of public funds for crime prevention, public health and safety, fire and accident prevention, and other public services and facilities.

(4) The establishment of a supplemental housing program under

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this section will do the following:

- (A) Benefit the health, safety, morals, and welfare of the county and the state.
- (B) Serve to protect and increase property values in the county and the state.
- (C) Benefit persons of low and moderate income by making affordable housing available to them.
- (5) The establishment of a supplemental housing program under this section and sections 32 through 35 of this chapter is:
  - (A) necessary in the public interest; and
  - (B) a public use and purpose for which public money may be spent and private property may be acquired.

(b) In addition to its other powers with respect to a housing program under sections 32 through 35 of this chapter, the commission may establish a supplemental housing program. Except as provided by this section, the commission has the same powers and duties with respect to the supplemental housing program that the commission has under sections 32 through 35 of this chapter with respect to the housing program.

(c) One (1) allocation area may be established for the supplemental housing program. The commission is not required to make the findings required under section 34(5) through 34(8) of this chapter with respect to the allocation area. However, the commission must find that the property contained within the boundaries of the allocation area consists solely of one (1) or more multiple family housing projects that are or have been covered, in whole or in part, by a contract for project based assistance from the United States Department of Housing and Urban Development or have been owned at one time by a public housing agency. The allocation area need not be contiguous. The definition of "base assessed value" set forth in section 35(a) of this chapter applies to the special fund established under section 26(b) of this chapter for the allocation area.

(d) The special fund established under section 26(b) of this chapter for the allocation area established under this section may be used only for the following purposes:

- (1) Subject to subdivision (2), on January 1 and July 1 of each year the balance of the special fund shall be transferred to the housing trust fund established under subsection (e).
- (2) The commission may provide each taxpayer in the allocation area a credit for property tax replacement in the manner provided by section 35(b)(7) of this chapter. Transfers made under subdivision (1) shall be reduced by the amount necessary to

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provide the credit.

(e) The commission shall, by resolution, establish a housing trust fund to be administered, subject to the terms of the resolution, by:

- (1) the housing division of the consolidated city; or
- (2) the department, division, or agency that has been designated to perform the public housing function by an ordinance adopted under IC 36-7-18-1.

(f) The housing trust fund consists of:

- (1) amounts transferred to the fund under subsection (d);
- (2) payments in lieu of taxes deposited in the fund under IC 36-3-2-11;
- (3) gifts and grants to the fund;
- (4) investment income earned on the fund's assets; ~~and~~
- (5) money deposited in the fund under IC 36-2-7-10(j); and**
- ~~(5) (6)~~ other funds from sources approved by the commission.

(g) The commission shall, by resolution, establish uses for the housing trust fund. However, the uses must be limited to:

- (1) providing financial assistance to those individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, to enable those individuals and families to purchase or lease residential units within the county;
- (2) paying expenses of administering the fund;
- (3) making grants, loans, and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, including the elderly, persons with disabilities, and homeless individuals and families; and
- (4) providing technical assistance to nonprofit developers of affordable housing.

(h) At least fifty percent (50%) of the dollars allocated for production, rehabilitation, or purchase of housing must be used for units to be occupied by individuals and families whose income is at or below fifty percent (50%) of the county's area median income for individuals and families respectively.

(i) The low income housing trust fund advisory committee is established. The low-income housing trust fund advisory committee consists of eleven (11) members. The membership of the low income housing trust fund advisory committee is comprised of:

- (1) one (1) member appointed by the mayor, to represent the interests of low income families;

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- (2) one (1) member appointed by the mayor, to represent the interests of owners of subsidized, multifamily housing communities;
- (3) one (1) member appointed by the mayor, to represent the interests of banks and other financial institutions;
- (4) one (1) member appointed by the mayor, of the department of metropolitan development;
- (5) three (3) members representing the community at large appointed by the commission, from nominations submitted to the commission as a result of a general call for nominations from neighborhood associations, community based organizations, and other social services agencies;
- (6) one (1) member appointed by and representing the Coalition for Homeless Intervention and Prevention of Greater Indianapolis;
- (7) one (1) member appointed by and representing the Local Initiatives Support Corporation;
- (8) one (1) member appointed by and representing the Indianapolis Coalition for Neighborhood Development; and
- (9) one (1) member appointed by and representing the Indianapolis Neighborhood Housing Partnership.

Members of the low income housing trust fund advisory committee serve for a term of four (4) years, and are eligible for reappointment. If a vacancy exists on the committee, the appointing authority who appointed the former member whose position has become vacant shall appoint an individual to fill the vacancy. A committee member may be removed at any time by the appointing authority who appointed the committee member.

(j) The low income housing trust fund advisory committee shall make recommendations to the commission regarding:

- (1) the development of policies and procedures for the uses of the low income housing trust fund; and
- (2) long term sources of capital for the low income housing trust fund, including:
  - (A) revenue from:
    - (i) development ordinances;
    - (ii) fees; or
    - (iii) taxes;
  - (B) financial market based income;
  - (C) revenue derived from private sources; and
  - (D) revenue generated from grants, gifts, donations or income in any other form, from a:
    - (i) government program;

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- (ii) foundation; or
- (iii) corporation.

(k) The county treasurer shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested."

Renumber all sections consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1351 as introduced.)

BARDON, Chair

Committee Vote: yeas 8, nays 0.

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**Y**

